



TAN CHONG MOTOR HOLDINGS BERHAD

(12969-P)

A N N U A L R E P O R T 2 0 0 0

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notice

OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Ninth Annual General Meeting of TAN CHONG MOTOR HOLDINGS BERHAD will be held at 3rd Floor, 21 Jalan Ipoh Kecil, 50350 Kuala Lumpur, Malaysia on Friday, 25 May 2001 at 11:00 a.m. to transact the following businesses:

Ordinary Business: Reports and Accounts

1. To receive and consider the Statement of Accounts for the financial year ended 31 December 2000 together with the Reports of the Directors and Auditors thereto. **Resolution 1**

Ordinary Business: Final Dividend

2. To declare a final dividend of 6% less income tax for the financial year ended 31 December 2000. **Resolution 2**

Ordinary Business: Directors

3. To re-appoint Dato' Tan Kim Hor as Director pursuant to Section 129 (6) of the Companies Act, 1965. **Resolution 3**
4. To re-elect:
 - (i) Mr Geh Cheng Hooi as Director in accordance with Article 101 of the Company's Articles of Association. **Resolution 4**
 - (ii) Dato' Ng Mann Cheong as Director in accordance with Article 101 of the Company's Articles of Association. **Resolution 5**

Mr Toshiyuki Shiga, who retires in accordance with Article 80 of the Company's Articles of Association and is eligible for re-election, has indicated that he does not wish to seek re-election.

Ordinary Business: Auditors

5. To re-appoint the Auditors and authorise the Directors to fix their remuneration. **Resolution 6**

Special Business: Directors' fees

6. To consider and if thought fit, pass the following resolution as an ordinary resolution:

"RESOLVED BY WAY OF AN ORDINARY RESOLUTION THAT the aggregate fees payable to the Directors of the Company be hereby increased to an amount not exceeding RM300,000/- per annum for the financial year ended 31 December 2000 and each financial year thereafter." **Resolution 7**
7. To transact any other business of the Company of which due notice shall have been received.

By order of the Board

TAN ENG GUAN

Company Secretary

Kuala Lumpur
4 May 2001

Notes:

1. A member entitled to vote is entitled to appoint a proxy or proxies (but not more than two) to attend and vote for him. A proxy need not be a member of the Company, and, where there are two proxies, the number of shares to be represented by each proxy must be stated.
2. In the case of a corporation, the form of proxy appointing a corporate representative must be executed under seal or under the hand of an officer or attorney duly authorised.
3. To be valid, the form of proxy must be deposited at the Registered Office of the Company, 62 - 68 Jalan Ipoh, 51200 Kuala Lumpur, Malaysia, not less than forty-eight hours before the time appointed for the meeting.
4. Explanatory Statement on Special Business relating to Directors' Fees

It is important that the Directors of the Company be adequately remunerated so that the Company will be able to retain and attract persons of calibre and credibility with the necessary skill and experience to manage the Company. The skill and experience of the Directors are required more particularly in the application of the principles set out in Part 1 of the Malaysian Code on Corporate Governance and compliance with the Best Practices in Corporate Governance set out in Part 2 of

the Malaysian Code on Corporate Governance, which will be for the benefit of the shareholders of the Company. In addition, under the revamped Kuala Lumpur Stock Exchange Listing Requirements, with effect from 1 August 2001, the number of independent Directors would have to be increased. Therefore, it has become necessary for the aggregate amount of directors' fees to be increased and approved in advance so that the Directors may be paid in the course of each financial year.

In accordance with Article 82 (ii) of the Company's Articles of Association, the Board recommends that shareholders approve in advance, an annual payment of directors' fees of an aggregate amount not exceeding RM300,000/-. The Board will seek fresh approval from the shareholders when there is a need to change the amount.

Article 82 (ii) of the Articles of Association of the Company reads as follows:

"Fees payable to all Directors shall be determined by the Company in general meeting and shall not be increased except pursuant to a resolution passed at a general meeting where notice of the proposed increase has been given in the notice convening the meeting. Such fees may be divided among the Directors in such proportions and manner as the Directors shall determine."

corporate

INFORMATION

DIRECTORS

Dato' Tan Kim Hor DPMS, KMN, JP
Chairman

Ahmad bin Abdullah
Vice Chairman

Dato' Tan Heng Chew DJMK, JP
Executive Deputy Chairman

Tan Eng Soon
Managing Director

Azman bin Badrillah

Geh Cheng Hooi

Dato' Ng Mann Cheong DSSA, SMP, JP

Toshiyuki Shiga

AUDIT COMMITTEE MEMBERS

Geh Cheng Hooi
Chairman (Independent Non-executive Director)

Dato' Ng Mann Cheong DSSA, SMP, JP
(Independent Non-executive Director)

Dato' Tan Heng Chew DJMK, JP
(Executive Director)

COMPANY SECRETARY

Tan Eng Guan

ASSISTANT COMPANY SECRETARY

Chan Yoke-Lin

REGISTERED OFFICE

62 - 68 Jalan Ipoh
51200 Kuala Lumpur
Telephone : (03) 4042 7644 / 4041 1044
Facsimile : (03) 4042 7198
E-mail : tcmh@tanchong.com.my

REGISTRARS

M & C Services Sdn Bhd
11th Floor Wisma Damansara
Jalan Semantan
Damansara Heights
50490 Kuala Lumpur
Telephone : (03) 255 7188

AUDITORS

KPMG
Wisma KPMG
Jalan Dungun
Damansara Heights
50490 Kuala Lumpur

STOCK EXCHANGE LISTING

Kuala Lumpur Stock Exchange
(Listed on the Main Board in 1974)

business

DIVISIONS



TAN CHONG MOTOR HOLDINGS BERHAD



ASSEMBLY

- Motor Vehicles



FINANCIAL PRODUCTS AND SERVICES

- Hire Purchase
- Insurance



SALES AND DISTRIBUTION

- Passenger Cars
- Light Commercial Vehicles
- Trucks
- Buses



PROPERTY

- Management and Investment



AFTER-SALES SERVICES

- Spare Parts
- Workshop

chairman's report

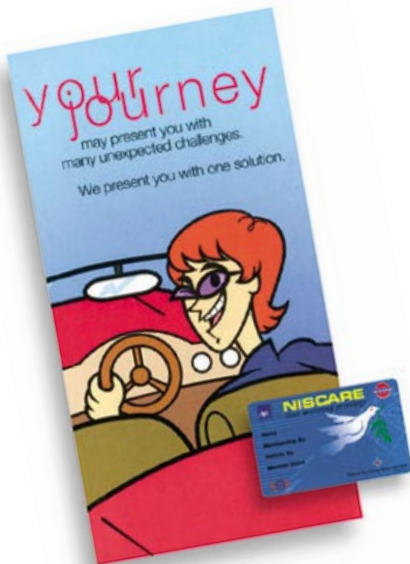
LAPORAN PENGURUSI

On behalf of the Board of Directors, I am pleased to report on the activities of the Tan Chong Motor Group for 2000.

HIGHLIGHTS

The Group recorded a revenue of RM1,184 million, a significant growth of 39% over that achieved in 1999 as the Malaysian motor industry staged further recovery during the year, aided by improved consumer and business sentiments and affordable financing. The introduction of the all-new Nissan Sentra in November helped to boost sales amid weaker demand during the last quarter of 2000.

Operating profit before tax and exceptional items rose to RM108 million from RM76 million in 1999 in tandem with the higher revenue. Earnings per share (excluding exceptional items) of RM0.12 was however marginally better than last year's RM0.11 as income for 2000 was subject to tax while that of the previous year was tax exempt.



NISCARE – 24 hours roadside assistance programme

NISCARE – program bantuan tepi jalan sepanjang 24 jam

Saya bagi pihak Lembaga Pengarah dengan sukacitanya melaporkan aktiviti perniagaan Kumpulan Tan Chong Motor bagi tahun 2000.

MAKLUMAT UTAMA

Kumpulan mencatatkan hasil sebanyak RM1,184 juta, pertumbuhan ketara sebanyak 39% berbanding prestasi pada tahun 1999. Ini adalah kerana industri motor Malaysia mencapai peringkat pemulihan seterusnya pada tahun ini dibantu oleh sentimen pengguna dan perniagaan yang bertambah baik serta pembiayaan yang mampu diperolehi. Pengenalan Nissan Sentra berwajah baru keseluruhannya pada bulan November telah membantu mempertingkatkan jualan walaupun berada dalam suasana permintaan yang lemah pada tempoh suku terakhir tahun 2000.

Keuntungan operasi sebelum cukai dan perkara terkecuali melonjak daripada RM76 juta pada tahun 1999 kepada RM108 juta pada tahun ini selaras dengan pertambahan hasil. Walau bagaimanapun, pendapatan sesaham (tidak termasuk perkara terkecuali) sebanyak RM0.12 bertambah baik sedikit berbanding RM0.11 pada tahun lepas kerana pendapatan bagi tahun 2000 adalah tertakluk kepada pembayaran cukai sementara pendapatan pada tahun sebelumnya adalah dikecualikan cukai.



The balance sheet of the Group continued to be robust and healthy. As at end of December 2000, the Group's net cash balance remained positive at RM172 million. The hire purchase financing business was expanded further as hire purchase debtors increased to RM104 million from RM61 million recorded as at the end of 1999.

With the launch of our website <http://www.nissan.com.my>, our customers can now view Nissan models or check the latest prices and arrange for a test drive from the comfort of their own home and at their leisure. The site will be enhanced further in the coming years to improve our services to our valued customers.

Kunci kira-kira Kumpulan terus memberikan gambaran yang kukuh dan sihat. Pada akhir Disember 2000, Kumpulan mempunyai baki tunai yang kekal positif iaitu sebanyak RM172 juta. Perniagaan sewa beli terus berkembang dengan penghutang sewa beli meningkat daripada RM61 juta pada akhir tahun 1999 kepada RM104 juta pada tahun ini.

Dengan pelancaran laman web kami, <http://www.nissan.com.my>, kini para pelanggan boleh melihat model Nissan atau menyemak harga terkini serta mengatur untuk uji pandu dengan selesa dari rumah dan pada masa lapang mereka. Laman ini akan dipertingkatkan lagi pada tahun-tahun akan datang untuk memperbaiki taraf perkhidmatan kepada para pelanggan yang kami hargai.

The new Nissan Sentra

- Bold & Stylish

Nissan Sentra baru

- Segak & Bergaya

Nissan Cefiro 3.0L V6 Brougham

– combining power with style

Nissan Cefiro 3.0L V6 Brougham

– menggabungkan kuasa dengan gaya



REVIEW OF RESULTS

Passenger and light commercial vehicles

Demand for new motor vehicles improved with the return of consumer confidence and affordable financing package. Based on the motor vehicle registration statistics of Malaysian Automotive Association (MAA), the total industry volume of 343,221 units for 2000 represented a 19% increase from 1999. For the year as a whole, total unit sales of Nissan passenger and light commercial vehicles was about 40% higher than that achieved in 1999. Consequently, overall market share for Nissan vehicles improved to 4% from 3.4%. Nissan's sales volume during the second half stabilised at a lower level compared with the first half of 2000 after the impact of price increase took its full effect.



Nissan VQ V6 DOHC Engine

**– voted one of the world's best engines
for seven years consecutively (1995-2001)**

Enjin Nissan VQ V6 DOHC

**– terpilih sebagai salah sebuah enjin terbaik di
dunia untuk tujuh tahun berterusan (1995-2001)**

TINJAUAN KEPUTUSAN

Kenderaan penumpang dan perdagangan ringan

Permintaan bagi kenderaan bermotor baru bertambah baik berikutan keyakinan pengguna yang kembali pulih dan penyediaan pakej pembiayaan yang termampu kepada pelanggan. Menurut statistik pendaftaran kenderaan bermotor Persatuan Automotif Malaysia (MAA), volum industri berjumlah 343,221 unit yang dicatatkan pada tahun 2000 menunjukkan peningkatan sebanyak 19% daripada volum yang dicatatkan pada tahun 1999. Bagi tempoh keseluruhan tahun, kenderaan penumpang dan perdagangan ringan Nissan mencatatkan pertambahan unit jualan sebanyak lebih kurang 40% berbanding pencapaiannya pada tahun 1999. Hasilnya, keseluruhan bahagian pasaran bagi kenderaan Nissan meningkat daripada 3.4% kepada 4%. Volum jualan Nissan pada tempoh setengah tahun kedua stabil pada paras yang lebih rendah berbanding pada tempoh setengah tahun pertama 2000 selepas kenaikan harga memberi kesan sepenuhnya.

With a sales volume of about 6,000 units, which was 50% higher than last year, the Nissan C22 Vanette remained the highest volume selling model. In the 2 to 3 litre capacity non-national passenger car segment, the Nissan Cefiro 2.0L V6 Excimo and Cefiro 3.0L V6 Brougham maintained its last year's market share of 12% while Serena sales increased by 42% from last year.

In November 2000, the new Nissan Sentra was unveiled during the Kuala Lumpur Motor Show. The model, which boasts unrivalled vehicle safety, comes in three different engine capacities - 1.5, 1.6 and 1.8 litre. Bookings had been most encouraging and should lead to further improvement in our overall market position.

Medium and heavy commercial vehicles

The sale of 270 units medium capacity (5 to 7 tonne) trucks was 10% lower than previous year. During the first half of the year, sales were slow as our competitors were still clearing old stocks imported at a lower exchange rate while our models were priced at the prevailing yen rate of the incoming stocks. The price differential began



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- your gateway to the world of Nissan

Lawatilah www.nissan.com.my

- laluan masuk anda ke dunia Nissan

Dengan volum jualan sebanyak lebih kurang 6,000 unit, iaitu 50% lebih tinggi berbanding pencapaian pada tahun sebelumnya, Nissan C22 Vanette kekal sebagai model yang mencatatkan volum jualan paling tinggi. Dalam segmen kereta penumpang bukan kereta nasional bagi kapasiti 2 hingga 3 liter, Nissan Cefiro 2.0L V6 Excimo dan Cefiro 3.0L V6 Brougham dapat mengekalkan pasarannya sebanyak 12% pada tahun lepas sementara jualan Serena pula meningkat sebanyak 42% berbanding jualan yang dicapai pada tahun sebelumnya.

Pada bulan November 2000, Nissan Sentra berwajah baru telah ditampilkan buat pertama kali di Pertunjukan Motor Kuala Lumpur. Model kenderaan yang tiada tandingannya dari segi keselamatan ini mempunyai tiga kapasiti enjin yang berbeza – 1.5, 1.6 dan 1.8 liter. Tempahan yang diterima amat menggalakkan dan mungkin akan membawa kepada peningkatan kedudukan pasaran secara keseluruhannya.

Kenderaan perdagangan sederhana dan berat

Penjualan 270 unit trak berkapasiti sederhana (5 hingga 7 tan) susut 10% berbanding pencapaiannya pada tahun sebelumnya. Pada setengah tahun pertama, jualan kami lembab kerana para pesaing kami masih menghabiskan stok lama mereka yang diimport pada kadar pertukaran matawang lebih rendah sementara model kami adalah pada harga mengikut kadar matawang yen yang sedia ada semasa stok dibawa masuk. Jurang perbezaan harga ini mula rapat selepas itu, dan kami dapat

to narrow thereafter, and we managed to secure strong sales during the second half to make up for the shortfall. The superior performance and reliability of Nissan Diesel trucks had enabled us to maintain a strong presence in this market segment even though priced at a higher level. Being a latecomer in this segment as our involvement only began in 1997, our market share has remained small, at about 8%. There is obviously further potential to be tapped in the future.

In the heavy-duty truck segment, the overall industry volume increased by more than 40% from last year to about 2,100 units, driven mainly by demand for prime movers from the container haulier business, a sector traditionally dominated by the European makes. Our market share declined marginally to 22% from about 24% achieved in 1999. Unit sales volume of this segment increased by 28% to 455 units. Profitability of this business improved as the operating unit concerned managed to adjust upward selling prices to counter the impact of rising costs due to the exchange rate. After-sales service and parts sales activities also showed significant improvements with heavier truck usage and stock replenishment.



**In-process inspection
at the assembly plant**

**Pemeriksaan dalam proses
di loji pemasangan**

mempertingkatkan jualan yang teguh sepanjang tempoh setengah tahun kedua bagi menampung kelembapan sebelumnya. Prestasi yang cemerlang dan kewibawaan trak Nissan Diesel telah membolehkan kami mengekalkan kehadiran yang teguh dalam segmen pasaran ini walaupun harganya adalah di paras yang lebih tinggi. Sebagai peserta yang lewat masuk ke dalam segmen pasaran ini iaitu pada tahun 1997, bahagian pasaran kami masih lagi kecil, iaitu lebih kurang 8% sahaja. Potensi untuk berkembang lebih luas lagi masih terbuka untuk diterokai.

Dalam segmen trak bermuatan berat, volum keseluruhan dalam industri telah meningkat sebanyak lebih 40% pada tahun lalu kepada kira-kira 2,100 unit. Ini telah didorong terutamanya oleh permintaan bagi prime movers dari perniagaan pengangkutan kontena, sebuah sektor yang secara tradisinya dikuasai oleh prime movers buatan Eropah. Bahagian pasaran kami susut sedikit kepada 22% berbanding kira-kira 24% yang dicapai pada tahun 1999. Volum unit jualan segmen ini meningkat sebanyak 28% kepada 455 unit. Tahap keuntungan perniagaan ini telah bertambah baik berikutan unit operasi mampu menyesuaikan ke arah kenaikan harga jualan untuk membendung kesan kenaikan kos yang disebabkan oleh pertukaran matawang. Aktiviti perkhidmatan selepas jualan dan jualan alat ganti juga menunjukkan peningkatan ketara dengan tahap penggunaan trak dan penggantian stok yang lebih tinggi.



Vehicle assembly

During the year, the assembly plant devoted much of management focus in preparing for the introduction of the new Nissan Sentra and increasing production volume to meet sales demand. With a higher volume of purchases, price negotiations and joint cost studies with key component vendors had helped to lessen the effect of cost increase of imported contents.

Financial services

The Group had taken progressive steps to increase its in-house hire purchase business to boost its earnings since 1999. In June 2000,

Pemasangan kenderaan

Pada tahun ini, loji pemasangan telah menumpukan fokus utama pengurusan dalam persiapan yang dibuat untuk memperkenalkan Nissan Sentra baru dan meningkatkan volum pengeluaran bagi memenuhi permintaan jualan. Kesan kenaikan kos kandungan yang diimport telah dapat dikurangkan melalui volum belian yang lebih tinggi serta rundingan harga kajian kos bersama para vendor komponen utama.

Perkhidmatan kewangan

Kumpulan telah mengambil beberapa langkah progresif untuk menambah perniagaan sewa

The new Nissan Sentra comes in 3 different engine capacities

- 1.5, 1.6 and 1.8 litre

Nissan Sentra baru dengan 3 kapasiti enjin berbeza

- 1.5, 1.6 dan 1.8 liter

Nissan C22 Vanette
– the best selling model

Nissan C22 Vanette
– model paling laris jualannya



Bank Negara had issued a new directive to financial institutions to restrict the payment of hire purchase commissions to dealers. Even though the impact of hire purchase commission on the Group's revenue and profitability was relatively small, the Group stepped up its efforts to develop its in-house hire purchase business. Total hire purchase debts outstanding at the end of 2000 had almost doubled that at the beginning of the year.

DIVIDENDS

The following dividends were paid during the year:

- (i) A special net cash dividend of 27.368% amounting to RM91.956 million on 19 May 2000, being the last of the special dividends paid pursuant to the demerger exercise.

beli dalamannya bagi mempertingkatkan pendapatannya sejak tahun 1999. Pada bulan Jun 2000, Bank Negara telah mengeluarkan satu arahan baru kepada institusi kewangan supaya menghadkan pembayaran komisen kepada para wakil penjual. Walaupun kesan komisen sewa beli ke atas hasil dan tahap keuntungan Kumpulan adalah agak kecil, namun Kumpulan telah mempertingkatkan usahanya untuk membangunkan perniagaan sewa beli dalamannya. Jumlah hutang sewa beli yang tertunggak pada akhir tahun 2000 telah meningkat hampir sekali ganda berbanding pada awal tahun ini.

DIVIDEN

Dividen berikut telah dibayar pada tahun ini:

- (i) Dividen tunai bersih khas sebanyak 27.368% yang berjumlah RM91.956 juta pada 19 Mei 2000, sebagai dividen khas akhir yang dibayar berhubung dengan langkah pengasingan semula.



Nissan Diesel U-41 truck 5.0 & 7.5 tonne GVW,
powered by reliable FD46 Euro I engine
with maximum output 120ps

Trak Nissan Diesel U-41 5.0 & 7.5 tan GVW
dengan kemantapan enjin FD46 Euro I
serta output maksimum 120ps

- (ii) An interim dividend of 5% less income tax of 28% amounting to RM12.096 million on 18 October 2000. (1999 – nil, apart from special dividends paid pursuant to the demerger exercise.)

The Board has recommended the payment of a final dividend of 6% less income tax of 28% amounting to RM14.51 million which, if approved by the shareholders at the forthcoming Annual General Meeting, will be paid on 29 June 2001.

CURRENT YEAR PROSPECTS

Given the lower projected GDP growth rate for the country in 2001, the automotive industry is also expected to grow at a slower rate. However, based on the strong interest shown in our new Nissan Sentra, we are optimistic that overall sales volume will improve further in 2001. The imminent introduction of at least one other new model during the year is likely to add additional volume. Demand for the heavy

Nissan Terrano 4WD

Nissan Terrano Pacuan 4 Roda



- (ii) *Dividen pertengahan sebanyak 5% ditolak 28% cukai pendapatan berjumlah RM12.096 juta pada 18 Oktober 2000 (1999 – tiada, selain daripada dividen khas yang dibayar berhubung dengan langkah pengasingan semula)*

Lembaga Pengarah telah mengesyorkan pembayaran dividen akhir sebanyak 6% ditolak 28% cukai pendapatan berjumlah RM14.51 juta yang, jika diluluskan oleh para pemegang saham di Mesyuarat Agung Tahunan akan datang, akan dibayar pada 29 Jun 2001.

PROSPEK TAHUN SEMASA

Berdasarkan kadar pertumbuhan KDNK yang lebih rendah diramal akan dicapai oleh negara pada tahun 2001, industri automotif juga dijangka akan berkembang pada kadar yang lebih perlahan. Walau bagaimanapun, berdasarkan keteguhan minat yang ditunjukkan terhadap Nissan Sentra berwajah baru, kami yakin bahawa volum jualan

commercial vehicles on the other hand, may be affected by the anticipated slow down in the manufacturing sector due to lower exports.

Barring unforeseen circumstances, dramatic actions by competitors and changes in the strength of the Japanese yen, the operating performance of the Group is expected to remain satisfactory.

ACKNOWLEDGEMENT

On behalf of the Board I wish to extend our appreciation to the management and staff for their dedication and contribution as always. I would also like to thank all our valued customers, suppliers, bankers and other business associates as well as our shareholders for their continuing support.

keseluruhan akan bertambah baik lagi pada tahun 2001. Pengenalan sekurang-kurangnya satu lagi model baru yang bakal dilancarkan pada tahun ini berkemungkinan akan meningkatkan volum jualan itu. Permintaan bagi kenderaan perdagangan berat sebaliknya mungkin akan terjejas akibat jangkaan kelembapan dalam sektor perkilangan akibat kelembapan eksport.

Jika tidak berlaku sebarang keadaan di luar dugaan, tindakan ketara oleh para pesaing dan perubahan dalam keteguhan matawang yen Jepun, prestasi operasi Kumpulan dijangka akan kekal memuaskan.

PENGHARGAAN

Saya bagi pihak Lembaga Pengarah dengan sukacitanya ingin menyampaikan ucapan penghargaan kepada pihak pengurusan dan kakitangan yang telah sentiasa menampilkan semangat berdedikasi dan membuat sumbangan yang bernilai. Saya juga ingin mengucapkan terima kasih kepada semua pelanggan yang dihargai, para pembekal, bank dan rakan-rakan lain dalam perniagaan serta para pemegang saham kami yang telah memberikan sokongan berterusan.

Dato' Tan Kim Hor DPMS, KMN, JP
Chairman/Pengerusi

Kuala Lumpur
9 April 2001



Nissan Diesel CKB45 ABTN2
heavy duty prime mover with Euro II
emission standard with maximum
output 375 hp

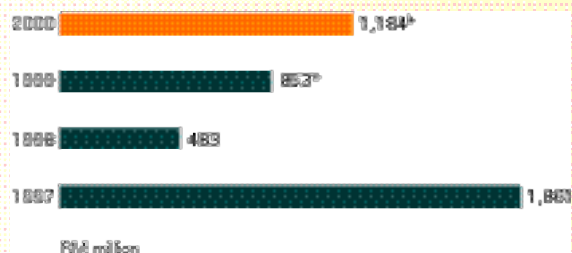
Prime Mover Nissan Diesel CKB45 ABTN2
bermuatan berat menggunakan enjin Euro II
emisi piawai dengan output maksimum
375 hp

financial

CHARTS

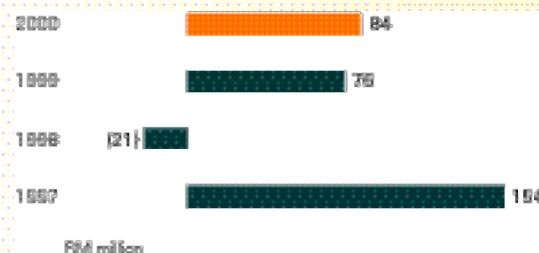
REVENUE

* excluding sales tax

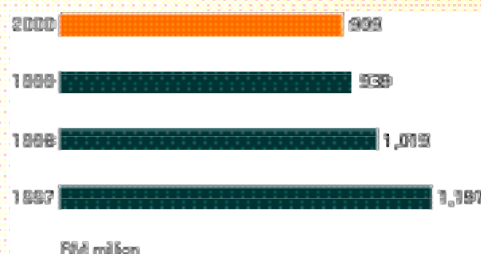


PROFIT/(LOSS) AFTER TAX

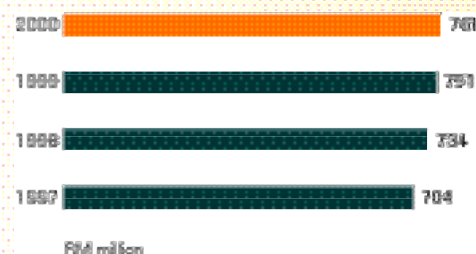
excluding exceptional items



TOTAL ASSETS



CAPITAL & RESERVES



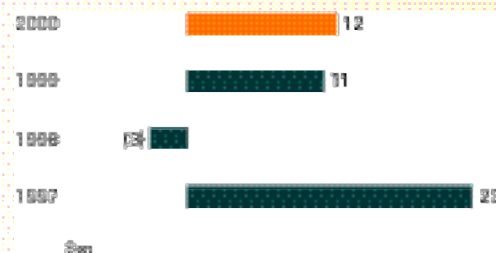
NET TANGIBLE ASSETS PER SHARE

RM0.50 per share



EARNINGS PER SHARE

excluding exceptional items (RM0.50 per share)



shareholders'

STATISTICS AS AT 30 MARCH 2001

SHARE CAPITAL

Authorised	– RM500,000,000
Issued and Fully Paid-up	– RM336,000,000
Class of Shares	– Ordinary shares of RM0.50 each
Voting Rights	– 1 vote per ordinary share

TWENTY LARGEST SHAREHOLDERS

Name	No. of Shares Held	%
1. Tan Chong Consolidated Sdn Bhd	230,266,662	34.2659
2. Mayban Nominees (Tempatan) Sdn Bhd Tan Chong Consolidated Sdn Bhd	45,000,000	6.6964
3. Cartaban Nominees (Asing) Sdn Bhd Daiwa Securities SMBC Co Ltd for Nissan Motor Co Ltd	37,333,324	5.5556
4. Employees Provident Fund Board	23,339,000	3.4731
5. Cimsec Nominees (Tempatan) Sdn Bhd Allied Investments Limited for Tan Chong Consolidated Sdn Bhd	20,000,000	2.9762
6. Mayban Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chong Consolidated Sdn Bhd	9,000,000	1.3393
7. Cartaban Nominees (Asing) Sdn Bhd Bank Of Tokyo Mitsubishi New York for United Nations Joint Staff Pension Fund	7,931,000	1.1802
8. DB (Malaysia) Nominee (Asing) Sdn Bhd UBS AG Singapore for Pacific Investment Fund	7,556,000	1.1244
9. HSBC Nominees (Asing) Sdn Bhd CMB LDN for The Malaysia Fund Incorporated	3,957,000	0.5888
10. HLG Nominee (Asing) Sdn Bhd Dao Heng Bank Ltd for Boronia Corporation	3,690,000	0.5491
11. HSBC Nominees (Asing) Sdn Bhd Meespierson SG for Sommerset Assets Limited	3,288,993	0.4894
12. Tan Kim Hor	3,074,834	0.4576
13. HSBC Nominees (Asing) Sdn Bhd BNY Brussels for The State Teachers Retirement System Of Ohio	3,071,000	0.4570
14. Citicorp Nominees (Tempatan) Sdn Bhd Prudential Assurance Malaysia Berhad	3,068,000	0.4565
15. Bank Simpanan Nasional	2,873,000	0.4275
16. Citicorp Nominees (Asing) Sdn Bhd MLPFS for Hang Chooi Seng	2,551,000	0.3796
17. Citicorp Nominees (Asing) Sdn Bhd CBNY for Sanford C Bernstein Group Trust	2,200,000	0.3274
18. Cartaban Nominees (Asing) Sdn Bhd SSBT Fund ZV6M for State Street Bank & Trust Funds for Employee Trusts	1,782,100	0.2652
19. Multi-Purpose Bank Nominees (Tempatan) Sdn Bhd Pheim Asset Management Sdn Bhd for Employees Provident Fund	1,733,000	0.2579
20. Mayban Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Eng Hwa	1,700,000	0.2530
Total	413,414,913	61.5201

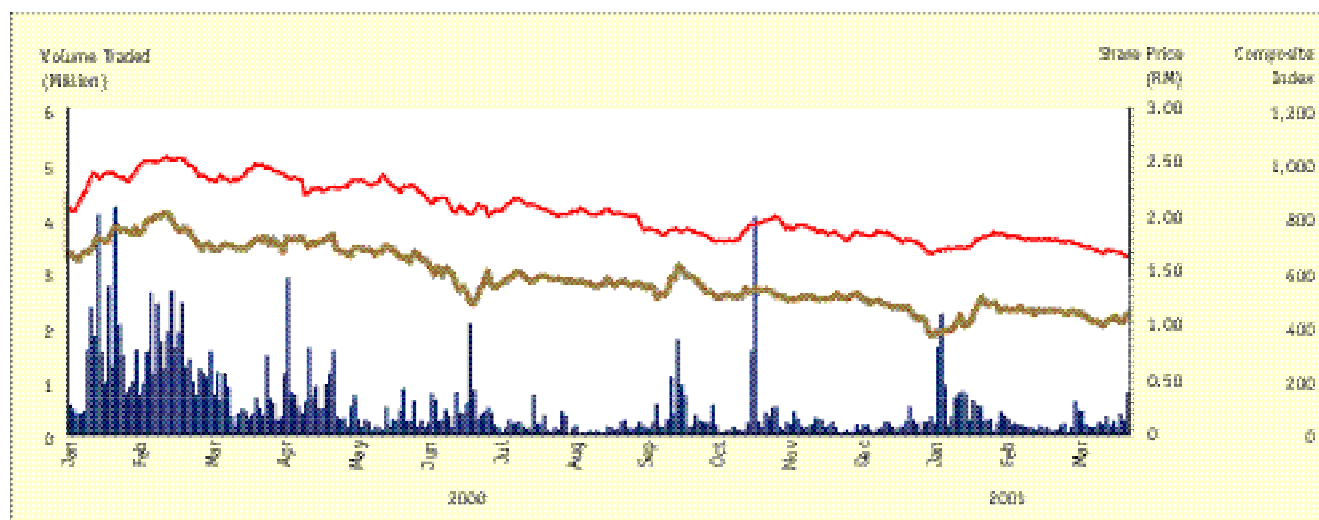
ANALYSIS BY SIZE OF HOLDINGS

Size of Holdings	No. of Holders	%	No. of Shares Held	%
1 – 499	137	0.5278	20,410	0.0030
500 – 5,000	19,022	73.2912	44,890,211	6.6801
5,001 – 10,000	3,460	13.3313	29,850,806	4.4421
10,001 – 100,000	3,020	11.6360	86,692,229	12.9006
100,001 – 1,000,000	281	1.0827	78,826,463	11.7301
Above 1,000,000	34	0.1310	431,719,881	64.2440
Total	25,954	100.0000	672,000,000	100.0000

SUBSTANTIAL SHAREHOLDERS (as per Register of Substantial Shareholders)

Name	No. of Shares Held	%
1. Tan Chong Consolidated Sdn Bhd	304,266,662*	45.28
2. Nissan Motor Co Ltd	37,333,324	5.56
3. Employees Provident Fund Board	25,072,000	3.73

* Dato' Tan Kim Hor, Dato' Tan Heng Chew, Dr Tan Ban Leong, Messrs Tan Beng Keong, Tan Boon Pun, Tan Eng Soon, Tan Hoe Pin, Dr Tan Kang Leong and Mr Tan Kheng Leong are deemed interested in the shares held by Tan Chong Consolidated Sdn Bhd by virtue of Section 6A of the Companies Act, 1965, and consequently are substantial shareholders of Tan Chong Motor Holdings Berhad.

DAILY SHARE PRICES & VOLUME TRADED ON KLSE

— Volume Traded (number of shares traded for the day)
 — Share Price (closing price for the day)
 — KLSE Composite Index (closing index for the day)

audit

COMMITTEE

TERMS OF REFERENCE

1. Membership

The Audit Committee shall be appointed by the Board amongst the Directors of the Company and shall consist of not less than 3 members, a majority of whom shall be Non-executive Directors. A quorum shall be 2 members.

The Chairman of the Audit Committee shall be appointed by the members of the Committee and must be a Non-executive Director.

2. Attendance at Meetings

The Finance Director and Head of Internal Audit shall attend Audit Committee meetings.

The external Auditor or his representative has the right to appear and be heard at any meeting of the Audit Committee. The external Auditor shall appear before the Audit Committee when required to do so by the Committee.

The Audit Committee shall meet with the external Auditor without any officers of the Company present once a year.

The Company Secretary shall be the Secretary of the Audit Committee.

3. Frequency of Meetings

Audit Committee meetings shall be held not less than three times a year.

The external Auditor may request an Audit Committee meeting if he considers that one is necessary. The Chairman of the Audit Committee, upon the request of the external Auditor, shall convene a meeting of the Audit Committee to consider any matters the external Auditor believes should be brought to the attention of the Directors or Shareholders.

4. Reporting Procedures

The Secretary shall circulate the minutes of meetings of the Audit Committee to all members of the Board.

5. Authority

The Audit Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.

The Audit Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

6. Duties & Responsibilities

The following are the duties and responsibilities of the Audit Committee:

- To consider the appointment of the external Auditor, the audit fee and any questions of resignation or dismissal;
- To discuss with the external Auditor, before the audit commences, the nature and scope of the audit and ensure co-ordination where more than one audit firm is involved;
- To review the quarterly and annual financial statements before submission to the Board, focusing particularly on:
 - any changes in accounting policies and practices
 - major judgemental areas
 - significant adjustments resulting from the audit
 - the going concern assumption
 - compliance with accounting standards
 - compliance with stock exchange and legal requirements
- To discuss problems and reservations arising from the interim and final audits, and any matters the external Auditor may wish to discuss (in the absence of management, if necessary);
- To review the internal audit programme, consider the major findings of internal audit investigations and management's response and ensure co-ordination between the internal and external Auditors;
- To keep under review the effectiveness of internal control systems and, in particular, review the external Auditor's management letter and management's response; and
- To consider other matters as may be agreed to by the Audit Committee and the Board of Directors.

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DIRECTORS' REPORT

for the year ended 31 December 2000

The directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the year ended 31 December 2000.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding and the provision of management services to companies in the Group, whilst the principal activities of the subsidiaries are as stated in Note 29 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Net profit after tax for the year	114,490	39,338

RESERVES

There were no material transfers to or from reserves and provisions during the year except as disclosed in the financial statements.

DIVIDENDS

Since the end of the previous financial year, the Company paid:

- (i) a special dividend in cash (Dividend No. IV) totalling RM49,972,620 on 25 February 2000;
- (ii) a special dividend in cash (Dividend No. V) totalling RM91,956,088 on 19 May 2000; and
- (iii) an interim dividend of 5% less tax totalling RM12,096,000 in respect of the year ended 31 December 2000 on 18 October 2000.

The final dividend recommended by the directors in respect of the year ended 31 December 2000 is 6% less tax totalling RM14,515,200.

The distribution of special dividends referred to in (i) and (ii) above were made pursuant to the reorganisation and demerger of the Group's Non-Motor and Autoparts Divisions ("TCMH Scheme"), the details of which were set out in the Circular To Shareholders dated 29 September 1999. The TCMH Scheme was approved by the shareholders of the Company in an Extraordinary General Meeting held on 14 October 1999.

DIRECTORS OF THE COMPANY

Directors who served since the date of the last report are:

Dato' Tan Kim Hor
 Ahmad bin Abdullah
 Dato' Tan Heng Chew
 Tan Eng Soon
 Azman bin Badrillah
 Geh Cheng Hooi
 Dato' Ng Mann Cheong
 Toshiyuki Shiga (appointed on 1.8.2000)
 Yoshi Iwashita (resigned on 1.8.2000)

DIRECTORS' REPORT (cont'd)

for the year ended 31 December 2000

The holdings and deemed holdings in the ordinary shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were directors at year end as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.1.2000	Acquired	Sold	At 31.12.2000
Shareholdings in which directors have direct interests				
Interests in the Company:				
Dato' Tan Kim Hor	3,074,834	—	—	3,074,834
Dato' Tan Heng Chew	25,662	—	—	25,662
Tan Eng Soon	1,400,000	—	—	1,400,000
Azman bin Badrillah	8,000	2,000	—	10,000

Shareholdings in which directors have indirect interests

Interests in the Company:				
Dato' Tan Kim Hor	304,266,662	—	—	304,266,662
Dato' Tan Heng Chew	304,266,662	—	—	304,266,662
Tan Eng Soon	304,266,662	—	—	304,266,662

Dato' Tan Kim Hor, Dato' Tan Heng Chew and Tan Eng Soon are deemed interested in the shares of the subsidiaries of the Company by virtue of their shareholdings in the Company. Details of their deemed shareholdings in non-wholly owned subsidiaries are shown in Note 29 to the financial statements.

None of the other directors holding office at 31 December 2000 had any interest in the ordinary shares of the Company and its related corporations during the year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors as shown in the financial statements of the Company and related companies) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, other than certain directors who have significant financial interests in companies which traded with certain companies in the Group in the ordinary course of business, legal fees paid by the Company to a firm in which a director is a partner and rental income receivable and rental expense payable from/to companies in which certain directors have significant financial interests.

DIRECTORS' REPORT (cont'd)

for the year ended 31 December 2000

There were no arrangements during and at the end of the financial year which had the object of enabling directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate other than the allocation by the Ministry of International Trade and Industry ("MITI") to Ahmad bin Abdullah and Azman bin Badrillah to purchase from the Company ordinary shares of RM1.00 each in Warisan TC Holdings Berhad ("WTCH") and APM Automotive Holdings Berhad ("APM") at RM1.82 and RM1.74 per ordinary share respectively as follows:

Name	Number of ordinary shares of RM1.00 each			
	Allocated and accepted	Balance at 1.1.2000	Purchased during the year	Balance at 31.12.2000
<i>WTCH</i>				
Ahmad bin Abdullah	4,000,000	4,000,000	(4,000,000)	–
<i>APM</i>				
Ahmad bin Abdullah	13,235,000	13,235,000	(13,235,000)	–
Azman bin Badrillah	13,235,000	11,085,000	(11,085,000)	–
	26,470,000	24,320,000	(24,320,000)	–

As a condition for the listing of WTCH and APM on the Kuala Lumpur Stock Exchange, the Company was required to dispose of 30% of the ordinary shares in WTCH and APM amounting to 20,160,000 and 60,480,000 ordinary shares of RM1.00 each respectively to Bumiputera investors approved by the MITI. The above directors were among the Bumiputera investors approved by the MITI to purchase these ordinary shares.

SIGNIFICANT EVENTS DURING THE YEAR

On 24 March 2000, the Company completed the disposals of the remaining 16.96% and 20.30% equity interest in WTCH and APM respectively to the Bumiputera investors approved by the MITI.

	Equity interest %	Ordinary shares RM1.00 each	Disposal price per ordinary share RM	Cash proceeds RM
WTCH	16.96	11,397,000	1.82	20,742,540
APM	20.30	40,926,000	1.74	71,211,240
				91,953,780

The Company received a total cash consideration of RM91,953,780 from the disposals and recorded an exceptional surplus of RM32,432,770 from the disposals.

The cash proceeds were distributed entirely to the shareholders of the Company on a pro-rata basis by way of special dividend in cash (part of Dividend No. V) on 19 May 2000.

ISSUE OF SHARES

There were no changes in the issued and paid-up capital of the Company during the year.

DIRECTORS' REPORT (cont'd)

for the year ended 31 December 2000

OPTIONS GRANTED OVER UNISSUED SHARES AND DEBENTURES

No options were granted to any person to take up unissued shares and debentures of the Company during the year.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that:

- (i) all known bad debts have been written off and adequate provision made for doubtful debts, and
- (ii) all current assets have been stated at the lower of cost and net realisable value.

At the date of this report, the directors are not aware of any circumstances:

- (i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts, in the Group and in the Company inadequate to any substantial extent, or
- (ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- (iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report there does not exist:

- (i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- (ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any corporation in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the directors, except for the exceptional item as disclosed in Note 17 to the financial statements, the results of the operations of the Group and of the Company for the financial year ended 31 December 2000 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

AUDITORS

The auditors, Messrs KPMG, have indicated their willingness to accept re-appointment.

Signed in accordance with a resolution of the directors:

Dato' Tan Kim Hor
Chairman

Ahmad bin Abdullah
Vice Chairman

Kuala Lumpur
9 April 2001

STATEMENT BY DIRECTORS PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

In the opinion of the directors, the financial statements set out on pages 24 to 52, are drawn up in accordance with applicable approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company at 31 December 2000 and of the results of their operations and cash flows for the year ended on that date.

Signed in accordance with a resolution of the directors:

Dato' Tan Kim Hor

Chairman

Ahmad bin Abdullah

Vice Chairman

Kuala Lumpur

9 April 2001

DECLARATION PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, Tan Eng Guan, the officer primarily responsible for the financial management of Tan Chong Motor Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 24 to 52, are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed
Tan Eng Guan at Kuala Lumpur in the Federal Territory
this 9th day of April 2001.

Before me:

Mohd Radzi bin Yasin

No. W327

Commissioner for Oaths

(Pesuruhjaya Sumpah)

Kuala Lumpur

REPORT OF THE AUDITORS TO THE MEMBERS OF TAN CHONG MOTOR HOLDINGS BERHAD

We have audited the financial statements set out on pages 24 to 52. The preparation of the financial statements is the responsibility of the Company's directors. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with approved Standards on Auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations which we consider necessary to provide us with evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and significant estimates made by the directors as well as evaluating the overall adequacy of the presentation of information in the financial statements. We believe our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of:
 - (i) the state of affairs of the Group and of the Company at 31 December 2000 and the results of their operations and cash flows for the year ended on that date; and
 - (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Group and of the Company;
- and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company and the subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the said Act.

The subsidiaries in respect of which we have not acted as auditors are identified in Note 29 to the financial statements and we have considered their financial statements and the auditors' report thereon except as mentioned in Note 29 to the financial statements.

We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

The audit reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment made under subsection (3) of Section 174 of the Act.

KPMG

Firm Number: AF 0758
Public Accountants

Kuala Lumpur
9 April 2001

Ng Kim Tuck

Partner
Approval Number: 1150/3/02(J/PH)

BALANCE SHEETS

at 31 December 2000

	Note	Group		Company	
		2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Property, plant and equipment	2	213,993	211,868	1,272	1,191
Investments in subsidiaries	3	–	–	307,865	307,090
Investments in associates	4	3,314	3,155	–	–
Other investments	5	1,808	61,329	–	59,521
Hire purchase receivables	6	71,050	34,522	–	–
		290,165	310,874	309,137	367,802
Current assets					
Inventories	7	279,654	283,411	–	–
Trade and other receivables	8	115,480	113,548	189,864	240,423
Hire purchase receivables	6	32,958	26,215	–	–
Other investments	5	28,063	100	–	–
Cash and cash equivalents	9	171,554	204,569	423	5,351
		627,709	627,843	190,287	245,774
Current liabilities					
Trade and other payables	10	115,435	111,885	6,554	6,687
Borrowings	11	1,423	1,656	–	–
Taxation		23,229	10,599	6,332	5,732
Proposed dividend		–	49,973	–	49,973
		140,087	174,113	12,886	62,392
Net current assets		487,622	453,730	177,401	183,382
		777,787	764,604	486,538	551,184
Financed by:					
Capital and reserves					
Share capital	12	336,000	336,000	336,000	336,000
Reserves	13	425,305	414,867	148,893	213,607
		761,305	750,867	484,893	549,607
Minority shareholders' interests	14	8,915	6,473	–	–
Long term and deferred liabilities					
Deferred taxation		588	686	–	–
Retirement benefits		6,979	6,578	1,645	1,577
		7,567	7,264	1,645	1,577
		777,787	764,604	486,538	551,184

The notes set out on pages 31 to 52 form an integral part of, and, should be read in conjunction with, these financial statements.

INCOME STATEMENTS

for the year ended 31 December 2000

	Note	Group		Company	
		2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Revenue	15	1,183,641	852,586	7,833	406,312
Operating profit/(loss) before exceptional items	15	100,352	77,355	3,025	(8,165)
Exceptional items	17	32,433	297,055	32,433	559,448
Operating profit		132,785	374,410	35,458	551,283
Financing costs	18	(187)	(8,843)	(81)	(6,291)
Interest income	19	7,565	7,232	5,772	9,379
Share of profit of associates		168	283	–	–
Profit before taxation		140,331	373,082	41,149	554,371
Tax expense	20	(23,399)	(60,931)	(1,811)	(105,778)
Profit after taxation		116,932	312,151	39,338	448,593
Minority interests		(2,442)	(303)	–	–
Net profit after tax for the year		114,490	311,848	39,338	448,593
Basic earnings per ordinary share (sen)					
– including exceptional items	23	17.0	46.4		
– excluding exceptional items	23	12.2	11.3		
Dividends per ordinary share (sen)					
Ordinary dividend					
– excluding proposed final dividend	22	1.8	–	1.8	–
– including proposed final dividend	22	4.0	–	4.0	–
Special dividend	22	13.7	44.3	13.7	44.3

The notes set out on pages 31 to 52 form an integral part of, and, should be read in conjunction with, these financial statements.

CONSOLIDATED BALANCE SHEET

at 31 December 2000

(In US\$ equivalent)

	2000	1999
	US\$'000	US\$'000
Property, plant and equipment	56,314	55,755
Investments in associates	872	830
Other investments	476	16,139
Hire purchase receivables	18,697	9,085
	76,359	81,809
Current assets		
Inventories	73,593	74,582
Trade and other receivables	30,389	29,881
Hire purchase receivables	8,673	6,899
Other investments	7,385	26
Cash and cash equivalents	45,146	53,834
	165,186	165,222
Current liabilities		
Trade and other payables	30,378	29,443
Borrowings	374	436
Taxation	6,113	2,789
Proposed dividend	–	13,151
	36,865	45,819
Net current assets	128,321	119,403
	204,680	201,212
Financed by:		
Capital and reserves		
Share capital	88,421	88,421
Reserves	111,922	109,176
	200,343	197,597
Minority shareholders' interests	2,346	1,703
Long term and deferred liabilities		
Deferred taxation	155	181
Retirement benefits	1,836	1,731
	1,991	1,912
	204,680	201,212

The information presented on this page does not form part of the audited accounts of the Group. Figures for both 2000 and 1999 are converted into US\$ equivalent using the same exchange rate of RM3.80 = US\$1.00, which approximates that prevailing on 31.12.2000.

CONSOLIDATED INCOME STATEMENT

for the year ended 31 December 2000

(In US\$ equivalent)	2000 US\$'000	1999 US\$'000
Revenue	311,484	224,365
Operating profit before exceptional items	26,408	20,357
Exceptional items	8,535	78,172
Operating profit	34,943	98,529
Financing costs	(49)	(2,327)
Interest income	1,991	1,903
Share of profit of associates	44	74
Profit before taxation	36,929	98,179
Tax expense	(6,158)	(16,034)
Profit after taxation	30,771	82,145
Minority interests	(643)	(80)
Net profit after tax for the year	30,128	82,065
Basic earnings per ordinary share (US cents)		
– including exceptional items	4.5	12.2
– excluding exceptional items	3.2	3.0
Dividends per ordinary share (US cents)		
Ordinary dividend		
– excluding proposed final dividend	0.5	0.0
– including proposed final dividend	1.1	0.0
Special dividend	3.6	11.7

The information presented on this page does not form part of the audited accounts of the Group. Figures for both 2000 and 1999 are converted into US\$ equivalent using the same exchange rate of RM3.80 = US\$1.00, which approximates that prevailing on 31.12.2000.

STATEMENTS OF RECOGNISED GAINS AND LOSSES

for the year ended 31 December 2000

	Note	Group		Company	
		2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Net profit after tax for the year		114,490	311,848	39,338	448,593
Total recognised gains for the year		114,490	311,848	39,338	448,593
Cumulative effect of change in accounting policy	21	–	3,568	–	–

The notes set out on pages 31 to 52 form an integral part of, and, should be read in conjunction with, these financial statements.

CASH FLOW STATEMENTS

for the year ended 31 December 2000

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities				
Profit before taxation	140,331	373,082	41,149	554,371
Adjustments for:				
Depreciation	11,831	11,449	238	235
Dividend income	(638)	(353)	(7,541)	(694)
Exceptional items	(32,433)	(297,055)	(32,433)	(559,448)
Gain on disposal of property, plant and equipment	(98)	(298)	–	(189)
Interest expense	187	8,843	81	6,291
Interest income	(7,565)	(7,232)	(5,772)	(9,379)
Property, plant and equipment written off	1,052	2	–	2
Provision for retirement benefits	587	1,191	79	702
Share of profit of associates	(168)	(283)	–	–
Reversal of provision for diminution in value of investment	–	–	(775)	–
Operating profit/(loss) before working capital changes	113,086	89,346	(4,974)	(8,109)
Changes in working capital:				
Inventories	3,757	77,423	–	–
Hire purchase receivables	(43,271)	(11,588)	–	–
Trade and other receivables	(1,932)	33,385	50,559	60,866
Trade and other payables	3,550	35,563	(133)	212
Short term investments	(27,963)	(100)	–	–
Cash generated from operations	47,227	224,029	45,452	52,969
Income taxes paid	(12,381)	(92,966)	(2,734)	(105,778)
Income taxes refund	1,523	–	1,523	–
Interest paid	(187)	(8,843)	(81)	(6,291)
Interest received	7,565	7,232	5,772	9,379
Retirement benefits paid	(186)	(2,233)	(52)	(450)
Retirement benefits transferred	–	–	41	(639)
Net cash generated from/(used in) operating activities	43,561	127,219	49,921	(50,810)

CASH FLOW STATEMENTS (cont'd)

for the year ended 31 December 2000

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Cash flows from investing activities				
Acquisition of preference shares in subsidiaries	–	–	–	(100,000)
Dividends received from companies in				
WTCH Group and APM Group	–	245,861	–	245,861
Dividends received from other investments	638	353	–	–
Dividends received from subsidiaries	–	–	7,541	160,416
Proceeds from disposal of subsidiaries of Non-Motor and Autoparts Divisions to WTCH and APM	–	–	–	152,837
Proceeds from disposal of property, plant and equipment	362	680	–	272
Proceeds from disposal of long term investments	91,954	144,592	91,954	144,592
Purchase of rights to allotment in WTCH and APM	–	–	–	(152,919)
Purchase of property, plant and equipment	(15,272)	(8,744)	(319)	(667)
Net cash generated from investing activities	77,682	382,742	99,176	450,392
Cash flows from financing activities				
Dividend paid to minority shareholders	–	(155)	–	–
Dividend paid to shareholders of the Company	(154,025)	(247,536)	(154,025)	(247,536)
Repayment of loans	–	(147,500)	–	(147,500)
Net proceeds from/(repayment of) bills payable	680	(1,194)	–	–
Net cash used in financing activities	(153,345)	(396,385)	(154,025)	(395,036)
Net (decrease)/increase in cash and cash equivalents	(32,102)	113,576	(4,928)	4,546
Cash and cash equivalents at beginning of year	203,365	89,789	5,351	805
Cash and cash equivalents at end of year	171,263	203,365	423	5,351
Cash and cash equivalents comprise:				
Cash and bank balances	29,193	22,944	423	5,351
Deposits	142,361	181,625	–	–
Bank overdrafts	(291)	(1,204)	–	–
	171,263	203,365	423	5,351

The notes set out on pages 31 to 52 form an integral part of, and, should be read in conjunction with, these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies are adopted by the Group and the Company and are consistent with those adopted in previous years except for the recognition of hire purchase revenue as disclosed in Note 1(k) to the financial statements.

(a) Basis of accounting

The financial statements of the Group and of the Company are prepared under the historical cost convention as modified by the revaluation of certain properties and certain investments in subsidiaries, and in compliance with applicable approved accounting standards in Malaysia.

(b) Basis of consolidation

Subsidiaries are those enterprises controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control effectively commences until the date that control effectively ceases. Subsidiaries are consolidated using the acquisition method of accounting.

Under the acquisition method of accounting, the results of subsidiaries acquired or disposed during the year are included from the date of acquisition or up to the date of disposal. At the date of acquisition, the fair values of the subsidiaries' net assets are determined and these values are reflected in the Group's financial statements. The difference between the acquisition cost and the fair values of the subsidiaries' net assets is reflected as goodwill or reserve on consolidation as appropriate.

Intragroup transactions and balances and the resulting unrealised profits are eliminated on consolidation. Unrealised losses resulting from intragroup transactions are also eliminated unless cost cannot be recovered.

(c) Associates

Associates are those enterprises in which the Group has significant influence, but not control, over the financial and operating policies.

The consolidated financial statements include the total recognised gains and losses of associates on an equity accounted basis from the date that significant influence effectively commences until the date that significant influence effectively ceases.

Unrealised profits arising on transactions between the Group and its associates which are included in the carrying amount of the related assets and liabilities are eliminated partially to the extent of the Group's interest in the associates. Unrealised losses on such transactions are also eliminated partially unless cost cannot be recovered.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Property, plant and equipment

Property, plant and equipment except for freehold land are stated at cost/valuation less accumulated depreciation.

It is the Group's policy to state property, plant and equipment at cost. Revaluation of certain properties in 1984 was carried out primarily for the purpose of issuing bonus shares then in the Company and was not intended to effect a change in the accounting policy to one of revaluation of properties.

In accordance with the transitional provisions issued by the Malaysian Accounting Standards Board ("MASB") on the adoption of International Accounting Standard ("IAS") No.16 (Revised) on "Property, Plant and Equipment", the valuations of these properties have not been updated and they continue to be stated at their existing carrying amounts less accumulated depreciation.

The directors are of the opinion that the current market values of the revalued properties are no less than their net book values as at 31 December 2000.

Property, plant and equipment retired from active use and held for disposal are stated at the lower of net book value and net realisable value.

The carrying amounts of property, plant and equipment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an item of property, plant and equipment exceeds its recoverable amount. In determining the recoverable amount of property, plant and equipment, expected future cash flows is discounted to its present value. The impairment loss is charged to the income statement unless it reverses a previous revaluation, in which case it is charged to equity. Any subsequent increase in recoverable amount is reduced by the amount that would have been recognised as depreciation had the write-down or write-off not occurred. Such subsequent increase in recoverable amount is recognised in the income statement unless it reverses an impairment loss on a revalued asset, in which case it is taken to equity.

(e) Depreciation

Freehold land is not amortised. Leasehold land is amortised in equal instalments over the period of the respective leases which range from 34 to 999 years. Buildings are depreciated on a straight line basis over the shorter of 50 years or the lease period.

The straight line basis is used to write off the cost of the other assets over the term of their estimated useful lives at the following annual rates of depreciation:

Buildings	2% – 4%
Plant, machinery and equipment	10% – 25%
Furniture, fixtures, fittings and office equipment	10% – 20%
Motor vehicles	10% – 20%

(f) Investments

Long term investments are stated at cost. Investment in certain subsidiaries are stated at valuation determined by the directors based on the values of the underlying net tangible assets, after the revaluation of the properties of the subsidiaries, and was carried out primarily for the purpose as explained in Note 1(d). A provision is made when the directors are of the view that there is a permanent diminution in their value.

Short term unquoted investments are stated at cost on an investment portfolio basis with a specific write down for shares where a permanent diminution has occurred.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(g) Inventories**

Inventories are stated at the lower of cost and net realisable value.

Cost of work-in-progress, manufactured inventories and locally assembled motor vehicles consist of materials, direct labour and an appropriate proportion of fixed and variable production overheads.

Cost of locally assembled motor vehicles, work-in-progress in respect of motor vehicles under assembly and unassembled vehicle packs are determined at standard cost adjusted for variances which approximates actual cost on a specific identification basis.

Cost of other raw materials, work-in-progress, manufactured inventories and trading inventories are determined mainly on the first-in-first-out basis whilst spare parts are determined mainly on the weighted average basis.

(h) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents are presented net of bank overdrafts.

(i) Taxation

The tax expense in the income statement represents taxation at current tax rates based on profit earned during the year.

Deferred taxation is provided on the liability method for all timing differences except where no liability is expected to arise in the foreseeable future and there are no indications the timing differences will reverse thereafter. Deferred tax benefits are only recognised where there is a reasonable expectation of realisation in the near future.

(j) Foreign currency**(i) Foreign currency transactions**

Transactions in foreign currencies are translated to Ringgit Malaysia at rates of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Ringgit Malaysia at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to Ringgit Malaysia at the foreign exchange rates ruling at the date of the transactions.

The closing rates used in the translations of foreign currency monetary assets and liabilities are as follows:

One US\$	RM3.80
One HK\$	RM0.50
One SGD	RM2.18
One JPY	RM0.0332

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Foreign currency (Cont'd)

(ii) *Financial statements of foreign operations*

The Group's foreign operations are not considered an integral part of the Group's operations. Accordingly, the assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to Ringgit Malaysia at exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated to Ringgit Malaysia at average exchange rates applicable throughout the year. Foreign exchange differences arising on translation are recognised directly in equity.

The closing rate used in the translation of the financial statements of foreign operations is as follows:

One US\$ RM3.80

(k) Revenue

(i) *Goods sold and services rendered*

Revenue from sale of goods is measured at the fair value of the consideration receivable and is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer.

Revenue from services rendered is recognised in the income statement as and when the services are performed.

(ii) *Hire purchase revenue*

During the year, the Group changed its accounting policy in respect of the recognition of hire purchase revenue to one which is reflective of its net investment outstanding during the period. Previously, hire purchase revenue was recognised evenly over the period of repayment. This change in accounting policy has been accounted for retrospectively.

(iii) *Dividend income*

Dividend income is recognised when the right to receive payment is established.

(l) Financing costs

Financing costs comprise interest payable on borrowings.

All interest and other costs incurred in connection with borrowings are expensed as incurred as financing costs.

(m) Interest income

Interest income is recognised in the income statement as it accrues, taking into account the effective yield on the asset.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2000

2. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM'000	Long term leasehold land RM'000	Short term leasehold land RM'000	Buildings RM'000	Plant, machinery and equipment RM'000	Furniture, fixtures, and office equipment RM'000	Motor vehicles RM'000	Work-in- progress RM'000	Total RM'000
Cost/valuation									
Opening balance	65,000	76,741	5,130	91,545	62,526	31,604	11,315	2,400	346,261
Additions	–	–	–	467	9,285	1,427	1,886	2,207	15,272
Disposals	–	–	–	–	(1)	(66)	(1,145)	–	(1,212)
Transfers	–	–	–	–	2,725	31	–	(2,756)	–
Written off	–	–	–	–	(3,508)	(145)	–	–	(3,653)
Closing balance	65,000	76,741	5,130	92,012	71,027	32,851	12,056	1,851	356,668
Representing items at:									
Cost	23,683	15,923	4,492	40,992	71,027	32,851	12,056	1,851	202,875
Directors' valuation	41,317	60,818	638	51,020	–	–	–	–	153,793
	65,000	76,741	5,130	92,012	71,027	32,851	12,056	1,851	356,668
Accumulated depreciation									
Opening balance	–	12,324	1,353	36,395	50,908	25,365	8,048	–	134,393
Charge for the year	–	874	141	2,842	4,331	1,980	1,663	–	11,831
Disposals	–	–	–	–	(1)	(55)	(892)	–	(948)
Transfers	–	–	–	–	–	–	–	–	–
Written off	–	–	–	–	(2,460)	(141)	–	–	(2,601)
Closing balance	–	13,198	1,494	39,237	52,778	27,149	8,819	–	142,675
Net book value									
At 31 December 2000	65,000	63,543	3,636	52,775	18,249	5,702	3,237	1,851	213,993
At 31 December 1999	65,000	64,417	3,777	55,150	11,618	6,239	3,267	2,400	211,868
Depreciation charge for the year ended 31 December 1999	–	868	142	2,763	4,182	1,960	1,534	–	11,449

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2000

2. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Company	Buildings RM'000	Furniture, fixtures, fittings and office equipment RM'000	Motor vehicles RM'000	Total RM'000
Cost				
Opening balance	690	409	617	1,716
Additions	–	39	280	319
Closing balance	690	448	897	2,035
Accumulated depreciation				
Opening balance	83	319	123	525
Charge for the year	13	45	180	238
Closing balance	96	364	303	763
Net book value				
At 31 December 2000	594	84	594	1,272
At 31 December 1999	607	90	494	1,191
Depreciation charge for the year ended 31 December 1999	14	47	174	235

Revaluation

Certain land and buildings are stated at directors' valuation based on professional valuations on the existing use basis conducted in 1984.

The net book value of the revalued properties had they been stated at cost less accumulated depreciation calculated on original cost as required by International Accounting Standard ("IAS") No. 16 (Revised) on "Property, Plant and Equipment" is not shown as the records are not available since the revaluation was done in 1984.

The potential deferred tax liability relating to the increase in the carrying value of certain land and buildings upon their revaluation in 1984 is not shown as the amount is not material to the Group.

Titles

The titles to certain properties with a cost of RM1.94 million (1999: RM1.94 million) have yet to be issued by the relevant authorities.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2000

3. INVESTMENTS IN SUBSIDIARIES

	Company	
	2000	1999
	RM'000	RM'000
Unquoted shares		
At cost	135,289	135,289
At directors' valuation in 1984	179,300	179,300
	314,589	314,589
Provision for diminution in value	(6,724)	(7,499)
	307,865	307,090

Investments in certain subsidiaries are stated at directors' valuation conducted in 1984 based on the net tangible assets value of the subsidiaries after the revaluation of their properties and was carried out primarily for the purpose as explained in Note 1(d).

4. INVESTMENTS IN ASSOCIATES

	Group	
	2000	1999
	RM'000	RM'000
Unquoted shares, at cost	625	625
Share of post-acquisition reserve	2,689	2,530
	3,314	3,155
Represented by:		
Group's share of net assets	3,314	3,155

The associates of the Group, all of which are incorporated in Malaysia, are as follows:

Name of company	Principal activities	Effective ownership interest	
		2000	1999
		%	%
Autoscope Sdn Bhd	Export agency for automotive accessories	50	50
Structurflex Sdn Bhd	Manufacture of truck side curtains components	50	50

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2000

5. OTHER INVESTMENTS

At cost	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Long term				
Other investments:				
Quoted shares	–	59,521	–	59,521
Unquoted shares	3,176	3,176	–	–
	3,176	62,697	–	59,521
Provision for diminution in value of unquoted shares	(1,368)	(1,368)	–	–
	1,808	61,329	–	59,521
Short term				
Unquoted investments	28,063	100	–	–
Market value of quoted shares	–	117,121	–	117,121
Sales consideration of quoted shares based on approved disposal price	–	91,954	–	91,954

The long term quoted investments in the previous year comprised the remaining equity interest in WTCH and APM respectively, which were disposed of to Bumiputera investors during the year at RM1.82 and RM1.74 per ordinary share for WTCH and APM respectively.

The Company received a total cash consideration of RM91,953,780 from the disposals and had distributed the cash proceeds entirely to the shareholders of the Company on a pro-rata basis by way of special dividend in cash (part of Dividend No. V) on 19 May 2000 (Note 22).

The short term unquoted investments comprise unquoted money market unit trusts which yield tax exempt interest income.

6. HIRE PURCHASE RECEIVABLES

	Group	
	2000 RM'000	1999 RM'000
Hire purchase receivables	125,070	73,925
Unearned interest	(19,881)	(11,018)
	105,189	62,907
Provision for doubtful debts	(1,181)	(2,170)
	104,008	60,737
Less than one year	32,958	26,215
Between one and five years	71,050	34,522
	104,008	60,737

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2000

7. INVENTORIES

	Group	
	2000 RM'000	1999 RM'000
Raw materials	12,708	13,307
Manufactured inventories, trading inventories and assembled motor vehicles	118,347	117,491
Work-in-progress	13,872	14,149
Unassembled vehicle packs	101,644	124,611
Spare parts and others	33,083	33,854
	279,654	303,412
Provision for slow moving inventories	–	(20,001)
	279,654	283,411

The following inventories are carried at net realisable value as at 31 December 2000:

	2000 RM'000
Raw materials	4,111
Manufactured inventories, trading inventories and assembled motor vehicles	18,222
Unassembled vehicle packs	2,893
Spare parts and others	12,015
	37,241

8. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Trade receivables	112,438	84,486	–	–
Provision for doubtful debts	(10,459)	(12,459)	–	–
	101,979	72,027	–	–
Subsidiaries	–	–	191,666	218,932
Provision for doubtful debts	–	–	(2,142)	(2,142)
	–	–	189,524	216,790
Dividends receivable from subsidiaries	–	–	–	15,000
Other receivables, deposits and prepayments	13,806	41,826	340	8,633
Provision for doubtful debts	(305)	(305)	–	–
	13,501	41,521	340	8,633
	115,480	113,548	189,864	240,423

The amounts due from subsidiaries are non-trade in nature, unsecured, have no fixed terms of repayment and are interest free except for amount due from certain subsidiaries which are subject to interest at negotiated rates.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2000

9. CASH AND CASH EQUIVALENTS

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Cash and bank balances	29,193	22,944	423	5,351
Deposits	142,361	181,625	–	–
	171,554	204,569	423	5,351
Deposits are placed with:				
Licensed banks	74,384	111,656	–	–
Licensed finance companies	32,996	24,586	–	–
Other corporations	34,981	45,383	–	–
	142,361	181,625	–	–

10. TRADE AND OTHER PAYABLES

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Trade payables	81,311	65,612	–	–
Other payables and accrued expenses	34,124	46,273	1,664	3,841
Subsidiaries	–	–	4,890	2,846
	115,435	111,885	6,554	6,687

The amounts due to subsidiaries are non-trade in nature, unsecured, have no fixed terms of repayment and are interest free except for amount due to certain subsidiaries which are subject to interest at negotiated rates.

11. BORROWINGS

	Group	
	2000 RM'000	1999 RM'000
Current		
Overdrafts	291	1,204
Bills payable (unsecured)	1,132	452
	1,423	1,656

The overdrafts and bills payable of the Group are subject to interest at 3.45% to 7.55% (1999 – 3.55% to 9.00%) per annum. The overdrafts are secured by a negative pledge over the current and future assets of a subsidiary.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2000

12. SHARE CAPITAL

	Company	
	2000 RM'000	1999 RM'000
Ordinary shares of RM0.50 each Authorised	500,000	500,000
Issued and fully paid	336,000	336,000

13. RESERVES

	Note	Group					Company
		Non-distributable		Distributable			
		Surplus on revaluation of properties RM'000	Translation reserve RM'000	Goodwill on consolidation RM'000	Capitalisation of retained profits RM'000	Retained profits RM'000	Retained profits RM'000
						Total RM'000	
At 1 January 1999		23	1,366	(118)	100	396,464	62,523
Change in accounting policy		—	—	—	—	2,693	—
Restated		23	1,366	(118)	100	399,157	62,523
Net profit after tax for the year		—	—	—	—	311,848	448,593
Dividends	22	—	—	—	—	(297,509)	(297,509)
At 31 December 1999		23	1,366	(118)	100	413,496	213,607
At 1 January 2000		23	1,366	(118)	100	413,496	213,607
Net profit after tax for the year		—	—	—	—	114,490	39,338
Dividends	22	—	—	—	—	(104,052)	(104,052)
At 31 December 2000		23	1,366	(118)	100	423,934	148,893

Subject to agreement by the Inland Revenue Board, the Company has sufficient Section 108 tax credit and tax exempt income to frank all its retained profits at 31 December 2000 if paid out as dividends.

14. MINORITY SHAREHOLDERS' INTERESTS

This consists of minority shareholders' proportion of share capital and reserves of subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2000

15. OPERATING PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Revenue				
Sale of goods	1,124,749	803,879	–	–
Services rendered	49,117	41,594	292	35
Hire purchase income	9,775	7,113	–	–
Dividend income	–	–	7,541	406,277
	1,183,641	852,586	7,833	406,312
Cost of sales				
Sale of goods	(957,534)	(669,961)	–	–
Services rendered	(28,316)	(25,844)	–	–
	(985,850)	(695,805)	–	–
Gross profit	197,791	156,781	7,833	406,312
Distribution costs	(59,804)	(54,920)	–	–
Administration expenses	(36,778)	(37,626)	(5,572)	(10,263)
Other operating expenses	(7,793)	(7,612)	(14)	(1,948)
Other operating income	39,369	317,787	33,211	157,182
Operating profit	132,785	374,410	35,458	551,283
Exceptional items (Note 17)	(32,433)	(297,055)	(32,433)	(559,448)
Operating profit/(loss) before exceptional items	100,352	77,355	3,025	(8,165)
Operating profit/(loss) before exceptional items is arrived at after crediting:				
Bad debts recovered	–	393	–	–
Gross dividends from:				
Unquoted subsidiaries	–	–	7,541	694
Unquoted investments	638	353	–	–
Gain on disposal of property, plant and equipment	98	298	–	189
Rental income on land and buildings	2,444	2,278	55	18
Reversal of write off of inventories	–	5,405	–	–
Reversal of provision for:				
Diminution in value of investments	–	–	775	1,920
Doubtful debts	3,737	5,377	–	1,181
Slow moving inventories	7,793	6,790	–	–

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2000

15. OPERATING PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS (CONT'D)

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
and after charging:				
Auditors' remuneration				
Current year provision	246	200	32	32
Underprovision in prior year	19	15	1	23
Bad debts written off	26	96	–	–
Company's directors				
Remuneration	5,328	4,429	4,168	3,668
Fees	84	84	84	132
Depreciation	11,831	11,449	238	235
Inventories written down	4,257	–	–	–
Inventories written off	1,885	–	–	–
Property, plant and equipment written off	1,052	2	–	2
Provision for:				
Doubtful debts	1,029	1,048	–	–
Retirement benefits	587	1,191	79	702
Slow moving inventories	–	3,326	–	–
Rental expense on land and buildings	3,134	3,812	317	504

The estimated monetary value of directors' benefits-in-kind of the Group and of the Company are RM86,000 (1999 – RM102,000) and RM86,000 (1999 – RM102,000) respectively.

16. EMPLOYEES INFORMATION

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Staff costs	61,688	53,156	5,585	4,985

The number of employees of the Group (including directors) and of the Company (including directors) at the end of the year was 2,385 (1999 – 2,151) and 20 (1999 – 25) respectively.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2000

17. EXCEPTIONAL ITEMS

	Note	Group		Company	
		2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Surplus arising from the disposals of WTCH and APM shares	28	32,433	51,194	32,433	51,194
Surplus arising from the reorganisation of Non-Motor and Autoparts Divisions		–	–	–	102,671
Gross dividends from companies in the WTCH and APM Groups		–	245,861	–	245,861
Gross dividends from companies in TCMH Group		–	–	–	159,722
	15	32,433	297,055	32,433	559,448

18. FINANCING COSTS

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Term loans	–	6,198	–	6,196
Related company interest	–	–	81	95
Others	187	2,645	–	–
	187	8,843	81	6,291

19. INTEREST INCOME

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Related company interest	–	–	4,468	8,830
Deposits	6,805	6,646	1,141	–
Others	760	586	163	549
	7,565	7,232	5,772	9,379

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2000

20. TAX EXPENSE

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Current tax expense	24,573	328	2,893	195
Overprovision in prior years	(1,085)	(10)	(1,082)	–
	23,488	318	1,811	195
Deferred tax expense	(98)	(248)	–	–
Tax expense on share of profit of associates	9	–	–	–
	23,399	70	–	195
Current tax expense on dividend income taken up as exceptional items (Note 17)	–	60,861	–	105,583
	23,399	60,931	1,811	105,778

The Group's and Company's effective tax rate is lower than the prima facie tax rate mainly due to the surplus arising from the disposal of WTCH and APM shares which are not taxable and the utilisation of tax losses brought forward.

No tax expense was provided for the Group and the Company in the prior year in view of the tax waiver for 1999 pursuant to the Income Tax (Amendment) Act, 1999.

The tax expense on exceptional items in the prior year of the Company was due to non-tax exempt dividend income received by the Company from its subsidiaries and former subsidiaries.

The tax expense on exceptional items in the prior year of the Group was due to non-tax exempt dividend income received by the Group from its former subsidiaries.

Subject to agreement by the Inland Revenue Board, the Group has potential deferred tax benefits not taken up in the financial statements under the liability method in respect of the following items:

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Unutilised tax losses	18,038	26,519	–	–
Other timing differences	28,154	46,132	1,622	1,553

21. PRIOR YEAR ADJUSTMENT – GROUP

During the year, the Group changed its accounting policy in respect of the recognition of hire purchase revenue to one which is reflective of its net investment outstanding. Previously, hire purchase revenue was recognised evenly over the period of repayment. This change in accounting policy has been accounted for retrospectively. The effect of the change is an increase in the profit of RM875,000 for the financial year ended 31 December 1999. Opening retained profits for the year ended 31 December 1999 have been increased by RM2,693,000 relating to periods prior to 1 January 1999.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2000

22. DIVIDENDS

	Group and Company	
	2000 RM'000	1999 RM'000
Ordinary		
Special:		
Special Dividend in Cash (Dividend No. I) paid on 26 November 1999	–	94,617
Special Dividend in Specie (Dividend No. II) paid on 1 December 1999	–	114,516
Special Dividend in Specie (Dividend No. III) paid on 1 December 1999	–	38,403
Special Dividend in Cash (Dividend No. IV) paid on 25 February 2000	–	49,973
Special Dividend in Cash (Dividend No. V) paid on 19 May 2000	91,956	–
Interim:		
5% less tax per share paid on 18 October 2000 (1999 – Nil)	12,096	–
	104,052	297,509

Proposed final dividend for the financial year ended 31 December 2000

The directors have recommended a final dividend of 6% less tax totalling RM14,515,200 in respect of the year ended 31 December 2000, which will be paid after the financial year end subject to approval by the shareholders at the forthcoming Annual General Meeting. The proposed final dividend has not been accounted for in the financial statements of the Group and of the Company as at 31 December 2000.

Special dividend

On 19 May 2000, the Company paid a special dividend (Dividend No. V) amounting to RM91,956,088 by way of cash, of which RM91,953,780 was paid out of the proceeds from the disposal of the remaining equity interest in WTCH and APM to the Bumiputera investors approved by MITI as mentioned in Note 28 to the financial statements.

Dividend per share

Ordinary dividend

The calculation of dividend per share is based on the ordinary dividend for the financial year ended 31 December 2000 and the number of ordinary shares in issue during the year of 672 million (1999 – 672 million).

	2000 RM'000	1999 RM'000	2000 Sen per share	1999
Ordinary dividend paid	12,096	–	1.8	–
Proposed final dividend	14,515	–	2.2	–
Ordinary dividend including proposed final dividend	26,611	–	4.0	–

Special dividend

The calculation of special dividend per share is based on the special dividend for the financial year ended 31 December 2000 of RM91,956,088 (1999 – RM297,509,210) and the number of ordinary shares in issue during the year of 672 million (1999 – 672 million).

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2000

23. EARNINGS PER ORDINARY SHARE – GROUP***Basic earnings per share***

The calculation of basic earnings per share including exceptional items is net profit attributable to shareholders of RM114.490 million (1999 – RM311.848 million) and the number of ordinary shares in issue during the year of 672 million (1999 – 672 million).

Using the same number of ordinary shares in issue during the year, the supplementary information presented for basic earnings per share excluding exceptional items is calculated as follows:

	2000	1999	2000	1999
	RM'000	RM'000	Sen per share	
Net profit after tax for the year	114,490	311,848	17.0	46.4
Exceptional items less taxation	(32,433)	(236,194)	(4.8)	(35.1)
Net profit excluding exceptional items	82,057	75,654	12.2	11.3

24. SEGMENTAL INFORMATION

Segmental reporting is not disclosed as required by International Accounting Standard ("IAS") No. 14 on "Reporting Financial Information By Segment" as the Group predominantly assembles and sells motor vehicles in Malaysia.

25. CONTINGENT LIABILITIES – UNSECURED

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Guarantees and contingencies relating to borrowings of:				
– subsidiaries	–	–	180	92
– third parties	9	720	–	–
Compensation claim on breach of contract	46	46	–	–
	55	766	180	92

The gross amount of the guarantees and contingencies relating to borrowings is as follows:

– subsidiaries	–	–	5,000	5,000
– third parties	2,400	2,624	–	–
	2,400	2,624	5,000	5,000

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2000

26. COMMITMENTS

	Group	
	2000 RM'000	1999 RM'000
Capital commitments:		
Property, plant and equipment		
Authorised but not contracted for	50,092	42,305
Contracted but not provided for in the financial statements	647	–
	50,739	42,305

27. RELATED PARTIES

Identity of related parties

The Group and the Company have a controlling related party relationship with its subsidiaries, substantial shareholders of the Company and WTCH and APM Groups.

WTCH and APM Groups refer to companies in the Warisan TC Holdings Berhad ("WTCH") and APM Automotive Holdings Berhad ("APM") Groups respectively. The WTCH and APM Groups were previously subsidiaries of the Company.

Transactions with WTCH and APM Groups

Significant transactions with WTCH and APM Groups other than those disclosed elsewhere in the financial statements are as follows:

	Group		Company	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
<i>With WTCH Group</i>				
Purchases	1,679	4,606	–	–
Interest expense payable	–	1,003	–	–
Rental expense payable	689	465	–	–
Sales	(4,197)	(1,395)	–	–
Rental income receivable	(433)	(448)	–	–
Gross dividends receivable	–	(54,194)	–	(54,194)
<i>With APM Group</i>				
Purchases	65,113	38,022	–	–
Interest expense payable	–	1,493	–	–
Rental expense payable	–	908	–	–
Sales	(334)	(816)	–	–
Rental income receivable	(936)	(908)	–	–
Interest income receivable	(514)	(554)	(151)	(517)
Gross dividends receivable	–	(191,667)	–	(191,667)

These transactions have been entered into in the normal course of business and have been established under negotiated terms.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2000

27. RELATED PARTIES (CONT'D)***Other related party transactions***

Significant related party transactions other than those disclosed elsewhere in the financial statements are as follows:

	Group	
	2000 RM'000	1999 RM'000
Company in which certain directors have substantial financial interests		
Sales	(7,439)	(6,327)
	Company	
	2000 RM'000	1999 RM'000
Subsidiaries		
Management fees receivable	(174)	(14)
Interest income receivable	(4,468)	(8,830)
Interest expense payable	81	95
Gross dividends receivable	(7,541)	(694)
Rental expense payable	306	490

These transactions have been entered into in the normal course of business and have been established under negotiated terms.

28. SIGNIFICANT EVENTS DURING THE YEAR

On 24 March 2000, the Company completed the disposals of the remaining 16.96% and 20.30% equity interest in WTCH and APM respectively to the Bumiputera investors approved by the MITI.

	Equity interest %	Ordinary shares RM1.00 each	Disposal price per ordinary share RM	Cash proceeds RM
WTCH	16.96	11,397,000	1.82	20,742,540
APM	20.30	40,926,000	1.74	71,211,240
				91,953,780

The Company received a total cash consideration of RM91,953,780 from the disposals and recorded an exceptional surplus of RM32,432,770 from the disposals (Note 17).

The cash proceeds were distributed entirely to the shareholders of the Company on a pro-rata basis by way of special dividend in cash (part of Dividend No. V) on 19 May 2000.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2000

29. COMPANIES IN THE GROUP

The principal activities of the companies in the Group, their places of incorporation and the interest of the Company are shown below:

Name	Principal activities	Effective ownership interest	
		2000	1999
Incorporated in Malaysia:		%	%
Auto Blend Sdn Bhd	Blending of battery water and brake fluid	100	100
Auto Components Manufacturers Sdn Bhd	Property holding	100	100
Auto Infiniti Sdn Bhd	Distribution of auto accessories	100	100
Ceranamas Sdn Bhd	Property and investment holding	100	100
Cyberguard Vehicle Security Technologies Sdn Bhd	Trading and marketing of car alarms	100	100
Edaran Tan Chong Motor Sdn Bhd	Distribution of motor vehicles	100	100
Hikmat Asli Sdn Bhd	Property holding	100	100
Pemasaran Alat Ganti Sdn Bhd	Distribution of automotive spare parts	100	100
Perwiramas Sdn Bhd	Investment holding	100	100
Rustcare Sdn Bhd	Rust proofing	100	100
Sungei Bintang Sdn Bhd	Property holding	100	100
Tan Chong & Sons Motor Co Sdn Bhd	Distribution of motor vehicles and hire purchase financing	100	100
Tan Chong Agency Sdn Bhd	Insurance agency and property holding	100	100
Tan Chong Ekspres Auto Servis Sdn Bhd	Automotive workshop services	100	100
Tan Chong Industrial Equipment (Sabah) Sdn Bhd	Distribution of commercial vehicles, heavy equipment and machineries	100	100
Tan Chong Industrial Equipment Sdn Bhd	Distribution of commercial vehicles	100	100
Tan Chong Motor Assemblies Sdn Bhd	Assembly of motor vehicles and trading of parts	70	70
Tan Chong Trading (M) Sdn Bhd	Distribution of automotive parts and accessories	100	100
Tanahku Holdings Sdn Bhd	Property holding	100	100
TC Auto Tooling Sdn Bhd	Fabrication of jigs and engineering services	100	100
TC Motors (Sarawak) Sdn Bhd	Distribution of commercial vehicles, heavy equipment and machineries	100	100
TCCL Sdn Bhd	Insurance agency	100	100
TCM Stamping Products Sdn Bhd	Manufacture of automotive press metal parts	100	100

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2000

29. COMPANIES IN THE GROUP (CONT'D)

Name	Principal activities	Effective ownership interest	
		2000 %	1999 %
Incorporated in Malaysia:			
Truckquip Sdn Bhd	Distribution of automotive spare parts and construction of vehicle bodies	100	100
TC Hartanah Sdn Bhd	Property holding	100	100
Vincus Holdings Sdn Bhd	Investment holding	100	100
West Anchorage Sdn Bhd	Investment holding	100	100
TCM Accessories Sdn Bhd	Dormant	100	100
Auto Research and Development Sdn Bhd	Dormant	100	100
Auto Trucks & Components Sdn Bhd	Dormant	100	100
Autokita Sdn Bhd	Dormant	100	100
Fujiyama Car Cooler Sdn Bhd	Dormant	100	100
Motor Image Enterprises Sdn Bhd	Dormant	100	100
Perusahaan Komponen Kendaraan Sdn Bhd	Dormant	100	100
TCRG Sdn Bhd	Dormant	100	100
Incorporated in the British Virgin Islands:			
** Nissan TCM Pty Ltd	Investment holding	75	75
Incorporated in Vietnam:			
* Nissan TCM Vietnam Co Ltd	Dormant	56	56

* Company not audited by KPMG and consolidated using management financial statements.

** Company not required to be audited and consolidated using management financial statements.

The Company's shareholding in non-wholly owned subsidiaries are as follows:

	At 1.1.2000	Acquired	Sold	At 31.12.2000
Ordinary shares of RM1.00 each:				
Tan Chong Motor Assemblies Sdn. Bhd.	700,000	—	—	700,000
Ordinary shares of US\$1.00 each:				
Nissan TCM Pty Ltd	941,250	—	—	941,250
Paid-up capital in US\$				
Nissan TCM Vietnam Co Ltd	369,554	—	—	369,554

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

31 December 2000

30. COMPARATIVE FIGURES

- (i) The following comparatives have been restated to reflect the change in accounting policy as explained in Note 21 to the financial statements:

	Group	
	As restated	As previously
	RM'000	stated
		RM'000
Income statement		
Operating profit	77,355	76,480
Profit before taxation	373,082	372,207
Tax expense	(60,931)	(60,931)
Profit after taxation	312,151	311,276
Minority interests	(303)	(303)
Net profit after tax for the year	311,848	310,973
Basic earnings per ordinary share (sen)		
– including exceptional items	46.4	46.3
– excluding exceptional items	11.3	11.1
Balance sheet		
Hire purchase receivables (receivable within twelve months)	26,215	21,585
Taxation	10,599	9,537
Cash flow statement		
Increase in hire purchase receivables	(11,588)	(10,713)

- (ii) Following the adoption of Malaysian Accounting Standards Board ("MASB") Standards in the preparation of this set of financial statements, the presentation and classification of certain items in the financial statements have been amended. Accordingly, comparative amounts for those items have been reclassified to ensure comparability with the current financial year.

GROUP PROPERTIES

Location	Description	Land Area (sq feet)	Built-up Area (sq feet)	Tenure/ Expiry Date	Net Book Value (RM million)	Age of Building (years)
249 Jalan Segambut 51200 Kuala Lumpur	Assembly plant, offices, workshop & vehicle	806,557	596,335	Leasehold 14.01.2073	34.75	25
	storage yard	74,776	53,254	Leasehold 20.04.2068	3.21	22
Lot 10230 Mukim of Batu Jalan Segambut 51200 Kuala Lumpur	Vacant land	14,514		Freehold	0.55	
Lot 49970 Mukim of Batu Jalan Segambut 51200 Kuala Lumpur	Vacant land	4,514		Freehold	0.17	
Lot 49972 Mukim of Batu Jalan Segambut 51200 Kuala Lumpur	Vacant land	17,177		Freehold	0.65	
Lot 49393 Jalan Segambut 51200 Kuala Lumpur	Vacant land	2,886		Leasehold 20.04.2068	0.03	
PT7702 Jalan Segambut 51200 Kuala Lumpur	Vehicle storage yard	133,064		Freehold	5.98	
Lot 4185 Jalan Segambut 51200 Kuala Lumpur	Office & factory	147,066	85,900	Freehold	7.86	8
Lot 43097 Mukim of Batu Off Jalan Segambut 51200 Kuala Lumpur	Vehicle storage yard & warehouse	339,456	28,800	Leasehold 27.01.2074	9.91	3
327, 3 ³ / ₄ Miles Jalan Segambut 51200 Kuala Lumpur	Pre-delivery inspection centre	114,187	25,480	Leasehold 04.07.2065	3.57	34
Lot 1249 Jalan Segambut 52000 Kuala Lumpur	Vehicle storage yard	111,646		Freehold	4.48	
Lot 1474 Jalan Segambut 52000 Kuala Lumpur	Vehicle storage yard	89,659		Freehold	3.10	
Lot 1475 Jalan Segambut 52000 Kuala Lumpur	Vehicle storage yard	116,959		Freehold	3.83	
582, 3 ¹ / ₂ Miles Jalan Ipoh 51200 Kuala Lumpur	Office, vehicle storage bay & showroom	19,752	12,389	Freehold	2.14	21
62 – 68 Jalan Ipoh 51200 Kuala Lumpur	Showroom & office	7,533	28,707	Freehold	6.49	45

GROUP PROPERTIES (cont'd)

Location	Description	Land Area (sq feet)	Built-up Area (sq feet)	Tenure/ Expiry Date	Net Book Value (RM million)	Age of Building (years)
21 Jalan Ipoh Kecil 50350 Kuala Lumpur	Head office building	7,571	27,302	Freehold	2.61	15
Lot 1388 Jalan Seri Amar 50350 Kuala Lumpur	Levelled commercial land for rental	22,185		Freehold	12.72	
Lot UG01, Kompleks Wilayah 2 Jalan Munshi Abdullah 50100 Kuala Lumpur	Showroom & office	4,827	4,827	Freehold	1.86	17
Lot UG04 – 06 Kompleks Wilayah 2 Jalan Munshi Abdullah 50100 Kuala Lumpur	Showroom & office	602	602	Freehold	0.42	17
LG045 Sungei Wang Plaza Jalan Bukit Bintang 55100 Kuala Lumpur	Retail lot for rental	621	621	Freehold	0.48	21
8C-3-2 Sri Murni Condominium 8 Lorong Kota 4 Bukit Ledang 50480 Kuala Lumpur	Apartment for rental	1,938	1,938	Freehold	0.59	7
Plot 28, Sec 52, Jalan Pudu 55100 Kuala Lumpur	Showroom & office	1,600	4,880	Leasehold 23.03.2075	0.48	16
Plot 29, Sec 52, Jalan Pudu 55100 Kuala Lumpur	Office & upper floors for rental	1,600	4,880	Leasehold 23.03.2075	0.48	16
34 Jalan Sibu 17 Taman Wahyu 68100 Kuala Lumpur	Office, warehouse & industrial building for rental	3,600	2,850	Leasehold 25.12.2078	0.19	19
35 Jalan Sibu 17 Taman Wahyu 68100 Kuala Lumpur	Office, warehouse & industrial building for rental	3,600	2,850	Leasehold 25.12.2078	0.24	19
36 Jalan Sibu 17 Taman Wahyu 68100 Kuala Lumpur	Office, warehouse & industrial building for rental	5,632	2,850	Leasehold 25.12.2078	0.30	19
Lot 3 Jalan Perusahaan Satu Batu Caves, 68100 Selangor	Factory, warehouse & offices	425,630	141,510	Leasehold 05.09.2074	15.73	18

GROUP PROPERTIES (cont'd)

Location	Description	Land Area (sq feet)	Built-up Area (sq feet)	Tenure/ Expiry Date	Net Book Value (RM million)	Age of Building (years)
142 Jalan SBC 3 Taman Sri Batu Caves 68100 Batu Caves, Selangor	Shoplot for rental	2,512	6,094	Freehold	1.57	2
117 – 119 Jalan SS15/5 47500 Subang Jaya, Selangor	Showroom & offices for rental	3,520	9,988	Freehold	0.82	20
Lot 7834 Sungai Rasa Jalan Batu Tiga Lama 41300 Klang, Selangor	Factory for rental	63,368	25,300	Freehold	5.10	10
53 & 55 Jalan Satu Kawasan 16 Off Jalan Batu Tiga (Berkeley Town Centre) 41150 Klang, Selangor	Showroom & offices for rental	4,508	13,486	Freehold	0.79	18
PT 10451 Mukim Serendah Daerah Hulu Selangor	Industrial land for rental	2,178,020		Leasehold 24.04.2095	8.75	
63, 63A & 63B Jalan Tun Perak 75300 Melaka	Showroom, office, store and workshop	18,252	12,531	Leasehold 02.07.2052	1.58	34
36 Jalan IMJ 5 Taman Industry Malim Jaya 75050 Melaka	Shoplot for rental	9,587	3,240	Leasehold 18.11.2095	0.43	6
260 Jalan Tun Dr Ismail 70200 Seremban Negeri Sembilan	Showroom & office	19,376	11,000	Freehold	1.93	16
Lot 151 Jalan Lombong Emas 6 Seremban Light Industrial Park 70200 Seremban Negeri Sembilan	Workshop & spare parts store	33,121	14,120	Leasehold 06.04.2090	1.28	4
Lot 1599 Bandar Penggaram Jalan Zabedah 83000 Batu Pahat, Johor	Commercial land for rental	53,933		Freehold	1.40	
Lot 690 & 691 14 & 15 Jalan Tuanku Mokhtar Ismail 86000 Kluang, Johor	Shoplots for rental	1,680	3,210	Leasehold 11.02.2052	0.41	44
		1,680	3,210	Leasehold 02.02.2052		44

GROUP PROPERTIES (cont'd)

Location	Description	Land Area (sq feet)	Built-up Area (sq feet)	Tenure/ Expiry Date	Net Book Value (RM million)	Age of Building (years)
Lot 7348 27 Jalan Tun Abd Razak Susur 2, 80100 Johor Baru Johor	Showroom, office & offices for rental	18,295	12,527	Freehold	2.64	7
Plot 157 Jalan Angkasa Mas 6 Kawasan Perindustrian Tebrau II 81100 Johor Bahru, Johor	Office & workshop	87,120	18,203	Leasehold 25.10.2053	1.60	5
A7348 Jalan Berserah 25300 Kuantan, Pahang	Showroom, office, warehouse & workshop	44,420	34,438	Freehold	5.99	17
10B Kayangan Apartment 69000 Genting Highlands Pahang	Apartment for rental	3,250	3,250	Freehold	0.32	20
Lot 31036 & 31037 Jalan Kuala Kangsar 30010 Ipoh, Perak	Showroom, office, workshop & spare parts store	40,292	27,800	Leasehold 24.09.2894	1.28	15
Plot 70 Kinta Jaya Light Industrial Park 30250 Ipoh, Perak	Office & workshop	4,887	2,100	Leasehold 01.03.2095	0.26	4
Lot 30502 Jalan Sultan Iskandar Shah 30000 Ipoh, Perak	Workshop for rental	6,806	6,806	Freehold	0.36	28
204 Jalan Sultan Iskandar Shah 30000 Ipoh, Perak	Shoplot for rental	1,740	2,792	Freehold	0.36	25
Lot 5688 Parit Buntar Industrial Park 34200 Perak	Levelled industrial land for rental	174,240		Leasehold 28.11.2044	0.30	
478 – 481 Taman Kota Jaya Jalan Kampong Dew 34700 Simpang, Taiping, Perak	Shoplots for rental	9,092	14,457	Leasehold 16.11.2065	0.76	20
119 Jalan Changkat Jong 36000 Teluk Intan, Perak	Shoplot for rental	2,979	2,740	Freehold	0.20	21
Lot 2224 Jalan Changkat Jong 36000 Teluk Intan, Perak	Levelled industrial land for rental	26,299		Freehold	0.49	

GROUP PROPERTIES (cont'd)

Location	Description	Land Area (sq feet)	Built-up Area (sq feet)	Tenure/ Expiry Date	Net Book Value (RM million)	Age of Building (years)
39 Jalan Durian Taman Kampar Jaya 31900 Kampar, Perak	Shoplot for rental	3,088	4,639	Leasehold 23.11.2060	0.18	17
41 Jalan Durian Taman Kampar Jaya 31900 Kampar, Perak	Shoplot for rental	1,600	4,639	Leasehold 23.11.2060	0.15	17
Plot 12 & 13 Slim Indah 35800 Slim River, Perak	Shoplots for rental	5,821	5,821	Leasehold 20.03.2082	0.22	17
Plot 25 & 26 Juru Industrial Park Juru Seberang Prai Tengah 14000 Pulau Pinang	Showroom & office	5,125	3,300	Freehold	0.35	3
23 Weld Quay/ 274 Victoria Street 10300 Pulau Pinang	Showroom & office for rental	17,967	53,770	Freehold	6.59	28
127 Jalan Petani 10150 Pulau Pinang	Spare parts store & workshop	10,883	8,778	Freehold	0.91	14
1461 Jalan Besar, Sg Jawi 13700 Seberang Prai Selatan Pulau Pinang	Shoplot for rental	3,850	6,000	Freehold	0.23	14
996 Jalan Baru 13700 Seberang Prai Pulau Pinang	Showroom, workshop & spare parts centre	85,900	26,700	Freehold	4.08	16
267 Jalan Baru 01000 Kangar, Perlis	Shoplot for rental	2,987	4,855	Leasehold 07.02.2083	0.26	16
1 Jalan Tunggal 01000 Kangar, Perlis	Shoplot for rental	2,126	4,780	Leasehold 07.02.2083	0.32	16
27, 29 & 30D Seberang Jalan Putra Mergong 05150 Alor Setar, Kedah	Showroom, office & workshop for rental	5,600	8,603	Freehold	0.93	30
96J Jalan Seberang Putra 05150 Alor Setar, Kedah	Office, warehouse, showroom & workshop	24,383	14,680	Leasehold 09.04.2031	0.84	10

GROUP PROPERTIES (cont'd)

Location	Description	Land Area (sq feet)	Built-up Area (sq feet)	Tenure/ Expiry Date	Net Book Value (RM million)	Age of Building (years)
2838 Jalan Temenggong 15000 Kota Baru, Kelantan	Building for rental	14,749	11,800	Freehold	1.25	34
Plot 3 TL207528934 Jalan Tun Mustapha 87015 Labuan, Sabah	Showroom, office, workshop & warehouse	129,240	9,392	Leasehold 31.12.2042	2.19	3
5 ³ / ₄ Miles (CL015333936) Jalan Tuaran, Inanam 88300 Kota Kinabalu, Sabah	Office & workshop	20,790	6,977	Leasehold 31.08.2026	1.20	7
5 ¹ / ₂ Miles (CL015328695) Jalan Tuaran, Inanam 88300 Kota Kinabalu, Sabah	Showroom, office, workshop & spare parts centre	99,490	22,000	Leasehold 31.12.2025	2.65	18
Lot 242 Jalan Abell 93100 Kuching, Sarawak	Showroom, office & workshop	14,500	16,697	Leasehold 31.12.2024	0.72	23
Lot 869 Section 66 Jalan Kemajuan Pending Industrial Estate 93450 Kuching, Sarawak	Showroom, office, workshop, store & vehicle storage yard	32,668	2,491	Leasehold 31.12.2034	0.66	5

form

OF PROXY

I/We _____

of (address) _____

being a member of TAN CHONG MOTOR HOLDINGS BERHAD, hereby appoint (*Name of Proxy/Proxies/Corporate Representative*) _____

or failing him (*name*) _____

of (address) _____

or failing the abovenamed proxy/proxies/corporate representative, the Chairman of the meeting, as my/our proxy to vote for me/us on my/our behalf at the Twenty-Ninth Annual General Meeting of the Company to be held at 3rd Floor, 21 Jalan Ipoh Kecil, 50350 Kuala Lumpur, Malaysia on Friday, 25 May 2001 at 11:00 a.m., and at any adjournment thereof, as indicated below:

		For	Against
Resolution 1	Reports and Accounts		
Resolution 2	Final Dividend		
Resolution 3	Dato' Tan Kim Hor		
Resolution 4	Mr Geh Cheng Hooi		
Resolution 5	Dato' Ng Mann Cheong		
Resolution 6	Auditors		
Resolution 7	Directors' fees		

(If you wish to instruct your proxy how to vote, insert a tick in the appropriate box. Subject to any voting instructions so given, the proxy will vote, or may abstain from voting on any resolution as he may think fit.)

If the member is an individual :

Signature

No. of shares held: _____

Date: _____

If the member is a corporation:

The Common Seal of _____
was hereunto affixed in accordance with its
Articles of Association in the presence of



No. of shares held: _____

Director

Director/Secretary

Date: _____

Notes:

1. A member entitled to vote is entitled to appoint a proxy or proxies (but not more than two) to attend and vote for him. A proxy need not be a member of the Company, and, where there are two proxies, the number of shares to be represented by each proxy must be stated.
2. In the case of a corporation, the form of proxy appointing a corporate representative must be executed under seal or under the hand of an officer or attorney duly authorised.
3. To be valid, the form of proxy must be deposited at the Registered Office of the Company, 62 - 68 Jalan Ipoh, 51200 Kuala Lumpur, Malaysia, not less than forty-eight hours before the time appointed for the meeting.

First fold

Affix
stamp
here

The Company Secretary
TAN CHONG MOTOR HOLDINGS BERHAD
62 – 68 Jalan Ipoh
51200 Kuala Lumpur
Malaysia

Second fold